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C O N F I D E N T I A L THE HAGUE 001957

SIPDIS

NOFORN

TREASURY FOR ZARATE
BRUSSELS ALSO FOR LEGATT

E.O. 12958: DECL: 08/03/2008

TAGS: [ETTC](#) [IZ](#) [NL](#) [EUN](#)

SUBJECT: IRAQI ASSETS: DUTCH IMPLEMENTATION OF UNSCR 1483

REF: A. BRUSSELS 3812

- [B](#). STATE 211439
- [C](#). THE HAGUE 1900

Classified By: Acting Economic Counselor Todd Kushner. Reason 1.5(b) and (d)

[1](#). (C/NF) The Netherlands central bank has tasked Dutch financial institutions to search their records for any accounts linked to the former Iraqi regime and to immediately freeze any that are discovered regardless of whether they are on a UN list. Dutch officials admit that the EU regulation implementing UNSCR 1483 provides a legal basis only for freezing assets listed by the UN. However, they have decided to implement a more extensive blocking regime and plan to unfreeze assets only if ordered to by a Dutch court.

[2](#). (SBU) Nevertheless, the Dutch would like to see as extensive a UN listing process as possible to provide not only legal cover but improved identifiers. They are struggling to develop standards for asset freezing. Must they freeze accounts of firms where a company owned by the former Iraqi regime is a minority shareholder? The accounts of a firm where a former Iraqi official is one member of an extensive board of directors? The Dutch have asked for specific information on how U.S. financial institutions are implementing UNSCR 1483.

[3](#). (SBU) Clarifying ref c, the Dutch indicate that the EU regulation implementing UNSCR 1483 addresses freezing and transfer of Iraqi assets but does not address confiscation. Confiscation was left out of the regulation after legal experts asserted that confiscation is not an area of community competence. Thus it is up to each member state individually to implement UNSCR 1483's confiscation requirements. The Dutch will require new legislation to do so.
RUSSEL